

ORIGINAL

NEW APPLICATION



ATTACHMENT "A"

Thim Utility Co.
P.O. Box 13145
Tucson, AZ 85732

August 16, 2005

Arizona Corporation Commission
1200 W. Washington St.
Phoenix, Arizona

W-03293A-05-0602

I have been requested by Linda Jaress upon instructions of Steve Olea to re-submit this Application for an Extension of the CC&N of Thim Utility Co. as described below. The ACC Docket Number on my original filing was W-03293A-02-0566.

Attached is a new application by THIM UTILITY CO. for EXTENSION OF CERTIFICATE OF CONVENIENCE AND NECESSITY to include the west $\frac{1}{2}$; and west $\frac{1}{2}$ of the east $\frac{1}{2}$; and the west $\frac{1}{2}$ of the east $\frac{1}{2}$ of the south east $\frac{1}{4}$, Section 11, Township 16 South, Range 10 East.

This Section is contiguous to the existing CERTIFICATE OF CONVENIENCE AND NECESSITY of THIM UTILITY CO.

We have a list of names of those property owners who have requested water service from Thim Utility Company.

Respectfully Submitted,

Robin M. Thim, President

AZ CORP COMMISSION
DOCUMENT CONTROL

2005 AUG 23 P 2:15

RECEIVED

ARIZONA CORPORATION COMMISSION

APPLICATION FOR AN EXTENSION OF CERTIFICATE OF CONVENIENCE AND NECESSITY

WATER AND/OR SEWER

A. The name address and telephone number of the Applicant is:

Thim Utility Co.
P.O. Box 13145
Tucson, AZ 85732

Phone (520) 290-1255 FAX (520) 290-8999

B. The name, address and telephone number of management contact is:

Robin M Thim
P.O. Box 13145
Tucson, AZ 85732
(W) (520) 290-1255 (C) (520) 237-1300

C. List the name, address and telephone number of the operator certified by the Arizona
Department of Environmental Quality:

Robin M Thim
P.O. Box 13145
Tucson, AZ 85732

(w) (520) 290-1255 © (520) 237-1300

D. List the name, address and telephone number of the attorney for the Applicant:

None on retainer

E. Attach the following documents that apply to you:

1. Certificate of Good Standing (if corporation) (To follow)
2. Corporate Resolution Authorizing this application (if required by the corporation's Articles of Incorporation) None required.

F. Attach a legal description of the area requested by either CADASTRAL (quarter section description) or Metes and Bounds survey.. References to parcels and dockets will not be accepted.

G. Attach a detailed map using the form provided as attachment B. Shade and outline the area requested. Also indicate the present certificated area by using different colors.

H. Attach a current balance sheet and profit and loss statement.

I. Provide the following information

1. Indicate the estimated number of customers, by class, to be served in the new area in each of the next five years:

Residential:

First Year 2 Second Year 20 Third Year 25 Fourth Year 30
Fifth Year 35

Commercial:

First Year 0 Second Year 0 Third Year 0 Fourth Year 0
Fifth Year 0

Industrial:

First Year 0 Second Year 0 Third Year 0 Fourth Year 0
Fifth Year 0

Irrigation

First Year 0 Second Year 0 Third Year 0 Fourth Year 0
Fifth Year 0

Other: (specify)

First Year 0 Second Year 0 Third Year 0 Fourth Year 0
Fifth Year 0

2. (WATER ONLY) indicate the projected annual water consumption, in gallons, for each of the customer classes in the new area for each of the next five years:

Residential:

First Year 192,000 Second Year 1,920,000 Third Year 2,400,000
Fourth Year 2,880,000 Fifth Year 3,360,000

Commercial:

First Year 0 Second Year 0 Third Year 0
Fourth Year 0 Fifth Year 0

Industrial:

First Year 0 Second Year 0 Third Year 0
Fourth Year 0 Fifth Year 0

Irrigation

First Year 0 Second Year 0 Third Year 0

Fourth Year 0 Fifth Year 0

3. Indicate the total estimated annual operating revenue from the new area for each of the next five years:

First Year \$1,056. Second Year \$10,560. Third Year \$13,200.

Fourth Year \$15,840. Fifth Year \$18,480.

- Complete Attachment "D" (Water Use Data Sheet) for the past 13 months

Attached

4. Indicate the total estimated annual operating expenses attributable to the new area for each of the next five years:

First Year \$950. Second Year \$9,504. Third Year \$11,880.

Fourth Year \$14,256. Fifth Year \$16,632.

J. Total estimated cost to construct utility facilities to serve customers in the requested area.

\$875,000.

K. Explain method of financing utility facilities (see paragraph 8 of instructions)

Will be paid for by another corporation owned by the principals

L. Estimated starting and completion date of construction of utility facilities:

Starting date: August, 2005 Completion date: February 2006

M. Attach the following permits:

1. Franchise from either the City or County for the area requested.

Franchise from Pima County is included with this application

2. Arizona Department of Environmental Quality or designee's approval to construct facilities.

This is being engineered by Castro Engineering Corp, 3580 W. Ina Road, Suite 200, Tucson, AZ 85741, Phone (520) 293-2550, contact person is Sheila Bowen, and is in process.

3. Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.)

No Arizona State Land included

4. U.S. Forest Service approval (if you are including any U.S. Forest Service land in your

requested area this approval is needed.)

No U.S. Forest Service land requested

5. **(WATER ONLY)** If the area requested is within an Active Management Area, attach a copy of, either the utility's Designation of an Assured Water Supply, or the developer's Certificate of 100 Year Assured Water Supply issued by the Arizona Department of Water Resources.


The Utility is not required to provide an Assured Water Supply, and there is no development in the area requested.

- If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources if applied for by the developer.

Not outside an Active Management Area

- If the area requested is outside an Active Management Area and the developer does not Obtain an Adequacy Statement; provide sufficient detailed information to prove that adequate water exists to provide water to the area requested.

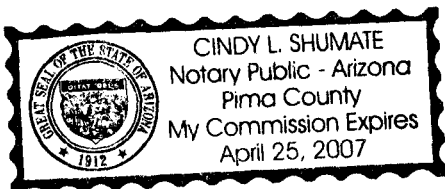
Not Applicable

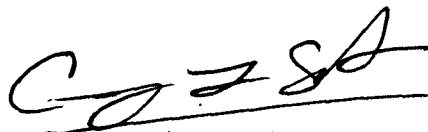

(Robin M Thim, President, Thim Utility Co.)

SUBSCRIBED AND SWORN to before me this 19 day of August 2005

NOTARY PUBLIC

My Commission Expires.




Notary

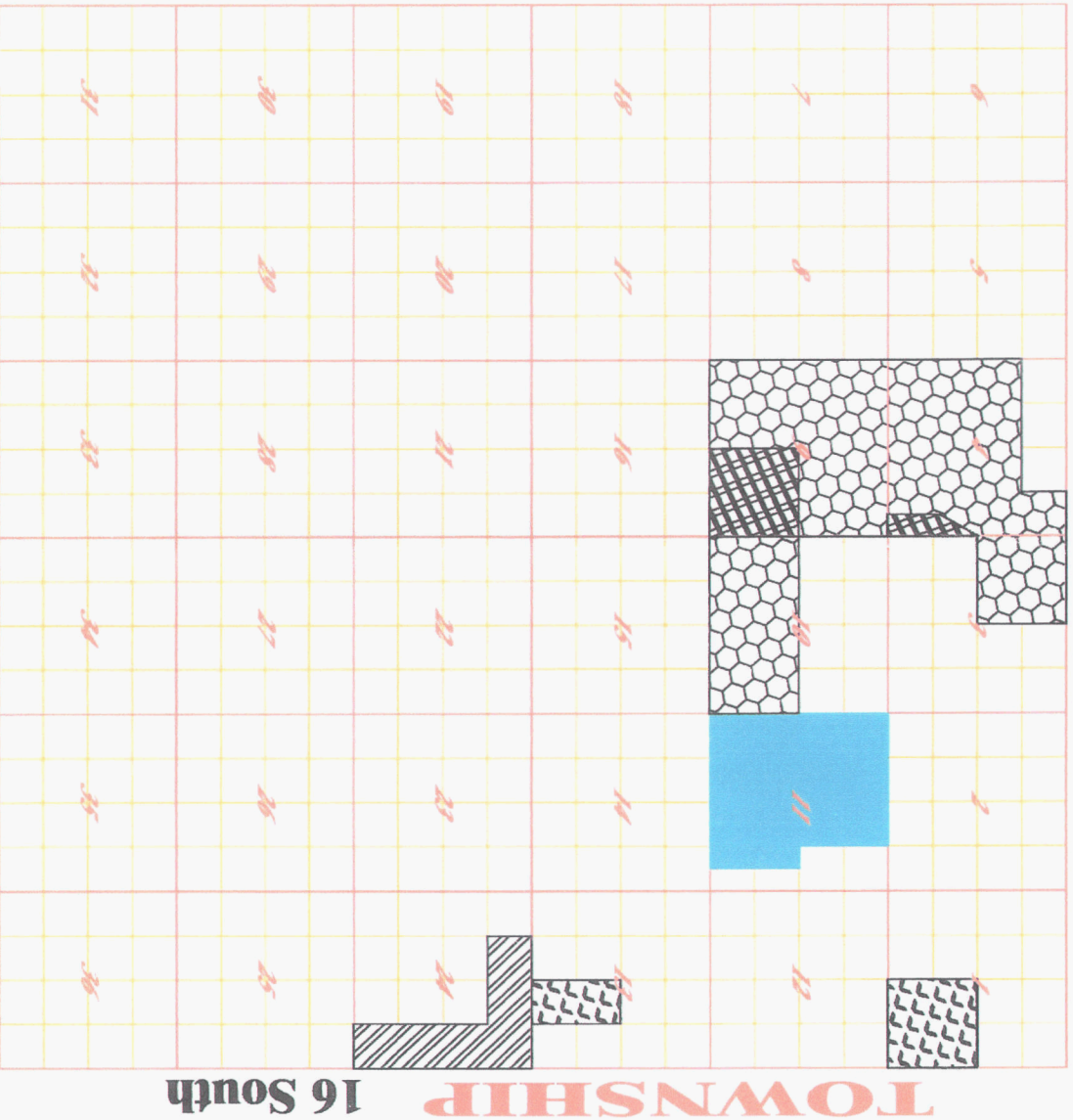
4:02 PM
08/19/05
Accrual Basis

Thim Water Corporation
Profit & Loss
August 1, 2004 through August 1, 2005

	Aug 1, '04 - Aug 1, 05
Ordinary Income/Expense	
Income	
Operating Revenues	
461 Metered Water Sales	42,841.26
470 Other Operating Revenue	
Establishment Fee	200.00
Total 470 Other Operating Revenue	200.00
Total Operating Revenues	43,041.26
Total Income	43,041.26
Expense	
General Insurance	1,742.34
Operating Expenses	
610 Purchased Power	
Electric	8,465.07
610 Purchased Power - Other	-56.06
Total 610 Purchased Power	8,409.01
618 Water Testing	467.00
620 Repairs and Maintenance	84.94
630 Outside Services	
Accounting	301.00
Contract Management	
Contract Maintenance	13,662.00
Equipment Rental	9,047.15
Contract Management - Other	2,790.00
Total Contract Management	25,499.15
Total 630 Outside Services	25,800.15
680 Taxes Other than Prop/Incom	
Sales Tax	2,254.69
Total 680 Taxes Other than Prop/Incom	2,254.69
681 Property Taxes	3,758.78
Total Operating Expenses	40,774.57
Other Expense	
Fees and dues	825.38
NSF Fees	6.00
Total Other Expense	831.38
Total Expense	43,348.29
Net Ordinary Income	-307.03
Net Income	-307.03

COUNTY: Pima

RANGE 10 East



TOWNSHIP 16 South

 W-2368 (1)


 Mirabell Water Company, Inc.

 W-3293 (5)

 Thim Utility Company

 W-2594 (2)

 Thim Water Corporation

 W-3945 (1)

 Francesca Water Company, Inc.



Thim Utility Company

Docket No. W-3293-02-566

Application for Extension

The west 1/2; and the west 1/2 of the east 1/2; and the west 1/2 of the east 1/2 of the southeast 1/4, Section 11, Township 16 South, Range 10 East of the Gila and Salt River Base and Meridian, Pima County, Arizona.

ATTACHMENT "C"

PUBLIC NOTICE OF AN APPLICATION FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY BY THIM UTILITY CO.

Thim Utility Company has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water service. Our records indicate that you are either currently a customer of Thim Utility Co. or are a property owner in the proposed extension area. If the application is granted, Thim Utility Co. would be the exclusive provider of water service to the proposed area. Thim Utility Co. will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Tucson at 400 West Congress, North Building Room 218, and at Thim Utility Co. at 6810 E. Broadway, Tucson, Arizona.

The Commission will hold a hearing on this matter. As a property owner, or customer, you may be entitled to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000, or 400 West Congress, North Building, Room 218, Tucson, Arizona 85701 or call 1-800-535-0148.

WATER USE DATA SHEET

NAME OF COMPANY _____	Thim Utility Co.
ADEQ Public Water System No. _____	10207

[illegible]

F. ANN RODRIGUEZ, RECORDER
RECORDED BY: D_K
DEPUTY RECORDER
7864 PE2



DOCKET: 12028
PAGE: 5344
NO. OF PAGES: 8
SEQUENCE: 20030711021
04/14/2003
RES 17:30

P0230
PIMA CO CLERK OF THE BOARD
PICKUP

PICKUP

AMOUNT PAID \$ 0.00

RESOLUTION NO. 2003- 64

**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF PIMA COUNTY, ARIZONA
AUTHORIZING A FRANCHISE
GRANTED TO
THIM UTILITY CO.**

WHEREAS, pursuant to Arizona Revised Statutes Title 40, Section 283, (A.R.S. § 40-283) Thim Utility Co., an Arizona Corporation, (hereinafter "Franchisee") has applied to the Board of Supervisors of Pima County, Arizona, (hereinafter "County") for the franchise right and privilege in the area of the County outside the confines of any incorporated city or town to construct, install, maintain and operate in the public right-of-way facilities and appurtenances for the purpose of a public water distribution system; and

WHEREAS, notice of this meeting on the application was given as required by law; and

WHEREAS, the application came before the Board of Supervisors on the 8th day of April, 2003, and no petition to the Board to deny the franchise was filed according to law, and the Board considered the application for the franchise; and

WHEREAS, the Board of Supervisors determined that the grant of this franchise is regular, authorized by law and in the best interests of the County and its inhabitants, FRANCHISEE'S APPLICATION IS HEREBY GRANTED, subject to the following:

Section 1. Franchise; right-of-way. Franchisee is hereby enfranchised and empowered to use public right-of-way within the area described on Exhibit "A" below and only those areas of the County outside the confines of any incorporated city or town to construct, install, maintain and operate in such public right-of-way facilities for the purpose of a public water distribution system. "Right-of-way" shall include highways, streets, roads, alleys, ways, drainageways and places dedicated to the public use.

Section 2. Future regulation. All rights hereunder are granted under the express condition that the Board of Supervisors shall have the power at any time to impose such restrictions and limitations, and to make such regulations as to the use of said right-of-way by Franchisee as may be deemed best for the public safety or welfare.

Section 3. County rights paramount. The rights of County in and to the use of public rights-of-way within County shall be forever paramount and superior to the rights of Franchisee.

Section 4. Facilities; definition; removal. Nothing in this franchise shall be construed to prevent County from abandoning, altering, improving, repairing or maintaining facilities of County or the public right-of-way and, for that purpose, requiring Franchisee at its own expense to remove, relocate or abandon in place Franchisee's facilities to accommodate the activities of County. "Facilities of Franchisee" shall mean any physical object or improvement or alteration of a right-of-way owned, possessed, made, installed or constructed by Franchisee or made, installed, or constructed by County or others at the request of Franchisee. "Facilities of Franchisee" shall include, but not be limited to, pipes, pipelines, mains, services, vaults, casings, sleeves, vents, fences, meters, gauges, regulators, valves, conduits, appliances, attachments, appurtenances, poles, wires, cables and other property or equipment used or useful for the purpose for which this franchise is granted. "Facilities of County" shall mean any physical object or improvement owned, possessed, maintained, installed or constructed by County or others at the request of County, including all highway, transportation, flood control and wastewater facilities of County.

Section 5. County not liable for costs and lost revenues. County shall not be liable to Franchisee for (a) any costs of relocation, replacement, repair or abandonment of Franchisee's facilities in the public right-of-way, or (b) lost revenues, sustained by Franchisee because of damage, modification or alteration to or destruction of its facilities in the public right-of-way.

Section 6. No exclusive right. Nothing in this franchise shall be construed to grant Franchisee an exclusive right to erect and maintain its facilities in the public right-of-way. Facilities of Franchisee shall be erected so as not to interfere with the reasonable use of the public right-of-way. The location of facilities of Franchisee shall not be a vested interest, and its facilities shall be removed, relocated or abandoned in place by Franchisee whenever they restrict or obstruct the use or location or any future use or location of the public right-of-way or Facilities of County or the use thereof by the public.

Section 7. Relocation. Franchisee shall relocate at its expense all facilities of Franchisee that conflict or interfere with County use, expanded use, improvement or abandonment of the public right-of-way. The facilities shall be relocated in accordance with the procedures and time limitations set forth in Pima County Code Chapter 10.44, as amended. If the facilities are not relocated in accordance with Pima County Code Chapter 10.44, County may, at its discretion, relocate the facilities utilizing a qualified contractor and Franchisee shall be liable for all costs to County of relocation including overhead and maintenance costs.

Section 8. Care and restoration of County roadway or facilities. In the construction, maintenance, repair and operation of its facilities, Franchisee shall not alter, in any way, a County highway, roadway, or street. Franchisee shall use all necessary care to avoid causing or permitting any damage, disturbance, alteration or modification to the facilities of County. If Franchisee causes or permits any damage, disturbance, alteration or modification, Franchisee, at its expense and in a manner approved by the County

Engineer, shall restore, to the satisfaction of County, the roadway or facilities to the condition in which they were before being damaged, disturbed, altered or modified and shall also be liable to County or others for any other damages which may accrue because of said damage, disturbance, alteration or modification. The restoration shall be initiated promptly and completed expeditiously in recognition of the duty of Franchisee to give the restoration, repair or replacement of County roadway or facilities priority over proceeding with non-emergency activities of Franchisee.

Section 9. Vegetation. In the construction, maintenance, repair and operation of its facilities, Franchisee shall avoid causing any damage to or disturbance of existing vegetation in the public right-of-way. If Franchisee causes or permits any such damage or disturbance, Franchisee, at its sole expense and in accordance with all County regulations then in effect, including but not limited to the provisions of Section 18.73.030B(12) of the Zoning Code of County, shall re-vegetate the right-of-way to the satisfaction of the County Engineer.

Section 10. Access to adjoining property. Franchisee shall provide prior written or actual notice to the owners or residents of adjoining property of any activity of Franchisee which may temporarily interfere with access to or use of said adjoining property. If an emergency precludes the provision of prior notice, Franchisee shall use its best efforts to provide timely actual notice to the owners or residents of the adjoining property.

Section 11. Indemnification; hold harmless; defend. The Franchisee shall indemnify, defend and hold the County, its governing board or body, officers, departments, employees and agents, harmless from and against any and all suits, actions, legal or administrative proceedings, claims, demands, liens, losses, fines or penalties, damages, liability, interest, attorney's, consultant's and accountant's fees or costs and expenses of whatsoever kind and nature, resulting from or arising out of any act or omission of the Franchisee, its agents, employees or anyone acting under its direction or control, whether intentional, negligent, grossly negligent, or amounting to a breach of contract, in connection with or incident to the performance of this Agreement. The obligations under this Article shall not extend to the negligence of the County, its agents, or employees.

Section 12. County permits; no authorization of wrongdoing. This Franchise does not constitute a County permit for right-of-way use. Nothing in this Franchise relieves Franchisee from its duty to obtain all applicable permits for right-of-way use from the appropriate County departments and the Pima County Flood Control District. County review or approval of plans or specifications or issuance of a permit for an activity or an installation, construction or location of a facility of Franchisee, or the failure of County to direct Franchisee to take any precautions or make any changes or to refrain from doing anything, shall not be construed to be an authorization for or approval of any violation of an industry standard pertaining to the location or construction of a utility facility in a public right-of-way. No review, approval or permit presuming to give such authority shall relieve Franchisee of its obligations under this franchise regarding the location and construction of facilities. The failure of County to direct Franchisee to take any precautions or make any changes or to refrain from doing anything, shall not excuse Franchisee from its responsibilities

hereunder to County or others for injury to persons or damage to property.

Section 13. County participation in suit, action or proceeding. County shall have the right at all times to take part in any suit, action or proceeding instituted by or against Franchisee (a) in which any judgement or decree can be rendered foreclosing any lien on any of Franchisee's property situated within the public right-of-way, (b) seeking to enjoin, restrain, or in any manner interfere with Franchisee in the performance or observance by it of any of the terms or conditions of this franchise, or any regulation, notice or direction of County in such connection, (c) affecting the rights, powers or duties of Franchisee to do or not to do anything which by this franchise it may be required to do or not to do, or (d) which involves or might involve the constitutionality, validity or enforcement of this franchise. County may take such steps relating to the suit, action or proceeding as County may deem necessary or advisable to protect the interest of County or the public interest.

Section 14. Location and construction standards. The location and construction of facilities in public right-of-way shall conform to applicable industry standards then in effect and as may be directed by County in order not to interfere with a planned future use of the public right-of-way by the County. All facilities of Franchisee shall be located so as to cause minimum interference with the proper use of the public right-of-way, and to cause minimum interference with the rights and reasonable convenience of property owners who adjoin the public right-of-way.

Section 15. Barriers and signs. Any opening or obstruction in the public right-of-way made by Franchisee in the course of the construction, maintenance, operation, repair, replacement or removal of facilities shall be guarded and protected at all times by the placement of adequate barriers, the bounds of which during periods of dusk and darkness shall be clearly designated by warning lights. Any work performed by Franchisee along a public highway open for travel shall be properly signed and marked with warning and directional devices in accordance with A.R.S. § 28-650 and the "Traffic Control Manual for Highway Construction and Maintenance", Arizona Department of Transportation, August, 1981, as amended now and in the future.

Section 16. Drainage. During construction or excavation in the public right-of-way, Franchisee shall provide proper drainage so that the public right-of-way shall be free from standing surface water, and properly and adequately drained so as not to cause flood or erosion damage to the facilities of the County or surrounding property.

Section 17. Inspection; charge. County may inspect any of Franchisee's activity and/or facilities in the public right-of-way to ensure proper performance of this franchise and conformance with applicable federal, state and County laws, ordinances and regulations, and County may make a reasonable charge for such inspection, provided such charge is lawfully adopted and uniformly imposed and collected for such inspections from other utilities or persons similarly situated to Franchisee.

Section 18. Compliance; assent to legality. Franchisee shall conform to and abide by and perform all the conditions, provisions, requirements and limitations in this franchise. Franchisee shall be subject to all County ordinances and regulations now in force or that hereafter may be lawfully adopted, including all ordinances and regulations relating to the use of public right-of-way by utilities. Franchisee shall not set up as against County any claim that the provisions of this franchise or any applicable County ordinance or regulation now lawfully in force are unreasonable, arbitrary or void.

Section 19. Term. This franchise is granted for a term of twenty-five years from the date of the granting.

Section 20. Non-exclusivity. This franchise and the privileges granted herein shall not be exclusive, and the Board of Supervisors expressly reserves the right to grant, from time to time, similar franchises and privileges over the same right-of-way to any other person, firm or corporation.

Section 21. Signature of Franchisee; no obligation after sale, assignment or transfer. This franchise shall not be effective for any purpose until the acceptance of Franchisee is endorsed herein in writing. After any sale, assignment or transfer of Franchisee's rights hereunder, Franchisee shall not be obligated under the terms hereof.

Section 22. Approval for sale, assignment or transfer. Franchisee hereby agrees that this franchise shall not be sold, assigned or transferred without the prior written approval of the Board of Supervisors of County, such approval not to be unreasonably withheld.

Section 23. Headings. Headings used in this franchise are for convenience only and shall not be used in construing its terms.

Section 24. Waiver. Waiver by County of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of any other term, covenant or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.

Section 25. Conflict of Interest. This Agreement is subject to A.R.S. § 38-511 which provides for cancellation of contracts by Pima County for certain conflicts of interest.

Granted this 8th day of April, 2003.

PIMA COUNTY, ARIZONA

Chawn Brownson

Chair, Pima County Board of Supervisors
APR 08 2003

ATTEST:

Teri Hershman

Clerk, Board of Supervisors
APR 08 2003

APPROVED AS TO FORM:

CLGA 3-13-03

Deputy County Attorney

Franchisee: Thim Utility Co.

Robin M. Thim
President

State of Arizona)
)
County of Pima) ss

This instrument was acknowledged before me this 14 day of March, 2003, by Robin M. Thim, President of Thim Utility Co., an Arizona Corporation.

Cindy L. Shumate
Notary Public

My Commission Expires:

4/25/03

ThimUtilityFranchise.jt

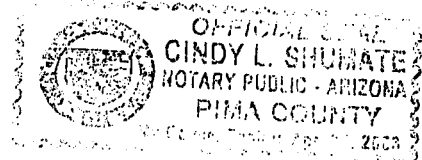


Exhibit "A"

Section 30, Township 14S, Range 12E, and

Sections 5 and 6, Township 16S, Range 14E, and

Sections 7, Township 15S, Range 11E, and

Sections 20, 21, 26, 27, 28, 29, 32, 33, 34 and 35, Township 15S, Range 10E, and

Sections 3, 4, 9, 10, 11 and 24, Township 16S, Range 10E,

All of the above legal descriptions are based on the Gila and Salt River Base and Meridian, Pima County, Arizona

[illegible]